

## Ministry of Labour & Human Resources

The Royal Audit Authority during the year 2003 had issued 5 inspection reports of agencies under the Ministry of Labour & Human Resources.

Pema Wangda and Tshering Tobgay headed the then Department of Employment and Labour and the National Technical Training Authority respectively.

The following officials headed the ministry and the departments under it in the later half of the year 2003:

Sl. No.	Name of Office Bearers	Designation
1.	Lyonpo Ugyen Tshering	Minister
2.	Dasho Pem L Dorji	Secretary
3.	Pema Wangda	Director, Department of Labour
4.	Karma Tshering	Director, Department of Employment
5.	Sangay Dorji	Director, Bhutan Vocational Qualification Authority.
6.	Tshering Tobgay	Director, Department of Human Resources
7.	Nima Dorji	Head, Administration & Finance Division

The following table exhibits the summary of the findings in a consolidated form:

*Table 1.27 showing summary of the observations by category code and the amount involved.*

Sl. No.	Observation in brief	Amount (Nu. Million)	%	Category code
1.	Outstanding advance	0.077	53.10	1
2.	Excess payment	0.068	46.90	6
	<b>Total</b>	<b>0.145</b>	<b>100.00</b>	

## Major findings:

### 1. Outstanding advance - Nu.0.077 million.

The then Royal Technical Institute, Kharbandi and the Royal Bhutan Institute of Technology, Kharbandi under the Ministry of Labor & Human Resources had an outstanding amount of Nu.0.010 million and Nu.0.067 million respectively.

**Auditee's response:** *The Royal Technical Institute had submitted that they have spared no efforts in the past and still persevering to collect the outstanding due.*

*The RBIT, Kharbandi submitted that it would not release further advances unless prior advances are realized.*

**Who is accountable?:** *The concerned Head of Institute & Finance Officers are held accountable to pursue for recovery with commercial interest of 16% p.a. and to process for write-off where required.*

### 2. Excess payment - Nu.0.068 million.

The Institute of Zorig Chusum, Trashiyangtse had awarded the construction of retaining walls behind the boys' hostel to M/s Mangalam Construction. On verification it was noted that the work had been awarded to the contractor who was already taking up the construction of boys' hostel on the ground that the works will be executed at the same site and both materials and manpower resources were readily available in hand. On further scrutiny it was found that the said contractor had offered rebate of 10% but the management had not availed this offer, thus resulting into excess payment of Nu.0.068 million.

**Auditee's response:** *The management submitted that the necessity to construct wall occurred due to severe natural calamity due to which the contractor was requested on urgent basis to save from further damage.*

**Who is accountable?:** *It was apparent from the final bill that the contractor had applied the same item rates quoted for the initial works on the construction of retaining walls thus substantiating that the award had been made on the same terms and conditions. Therefore, the institute should recover and deposit the amount computed by audit as excess into Audit Recoveries Account.*